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October 9, 2007

Ms. Beth O'Donnell
Kentucky Public Service Commission
211 Sower Boulevard
Frankfort, KY 40601

RECEIVED
OCT 11 2007
PUBLIC SERVICE
COMMISSION

Re: Madison County Utility District (Case No 2007-00424)

Ms. O'Donnell:

We are acting as special counsel to the Madison County Utility District (the "District") in connection with the above-referenced financing. In such capacity, I am sending you this letter addressing certain deficiencies raised by the Kentucky Public Service Commission (the "PSC") regarding the District's application, in a letter dated October 4, 2007, which is enclosed herewith.

Concerning the deficiency related to 807 KAR 5:001, Section 11, we hereby request a waiver of this particular requirement. The Bonds (which combine both new money and refunding portions) will be sold at a competitive sale pursuant to Chapter 74 of the Kentucky Revised Statutes. Therefore, interest rates will be determined at the sale of the Bonds by the selection of the lowest qualified bidder. I have attached, as Exhibit A hereto, estimated financial data for the proposed Bonds as provided by Ross, Sinclair & Associates LLC, financial advisor to the District.

Additionally, we hereby request a waiver of the requirements of 807 KAR 5:001, Section 6, specifically as to time period covered by the financial exhibit. Financial information of the District has previously been filed with the PSC in the District's 2006 Annual Report which covers a 12-month period, but does not cover a period ending within 90-days of the date on which the application was filed. We would ask that these financials be used given the additional expense of generating a mid-year report.

Please call if you have any questions, or if I can provide any additional information which would be useful in resolving this request. Thank you for your cooperation in this matter.

Very truly yours,

PECK, SHAFFER & WILLIAMS LLP

Per


Ian F. Koffler

IFK
Enclosures

EXHIBIT A

ESTIMATED FINANCIALS FOR NEW MONEY AND REFUNDING BONDS

Madison County Utility District

Utility District Revenue & Refunding Bonds

Series 2007-EST

(Combined: Refunding & New Money)

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Series 2007-REF (97) 10.0 | Issue Summary | 10/9/2007 | 11:33 AM

Ross, Sinclair & Associates, LLC
Public Finance - RBarrow

Madison County Utility District

Utility District Revenue & Refunding Bonds

Series 2007-EST

(Combined: Refunding & New Money)

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Madison County Utility District
 Utility District Revenue & Refunding Bonds
 Series 2007-EST
 (Combined: Refunding & New Money)

Total Issue Sources And Uses

Dated 12/01/2007 | Delivered 12/01/2007

	Refunding 1997	New Money	Issue Summary
Sources Of Funds			
Par Amount of Bonds	\$2,820,000.00	\$680,000.00	\$3,500,000.00
Transfers from Prior Issue DSR Funds	282,150.00	-	282,150.00
Total Sources	\$3,102,150.00	\$680,000.00	\$3,782,150.00
Uses Of Funds			
Total Underwriter's Discount (1.500%)	42,300.00	10,200.00	52,500.00
Financial Advisor	20,142.86	4,857.14	25,000.00
Bond Counsel	6,042.86	1,457.14	7,500.00
Trustee & Counsel Fees	2,820.00	680.00	3,500.00
Rating Agency Fee	5,640.00	1,360.00	7,000.00
Gross Bond Insurance Premium	26,905.90	6,454.14	33,360.04
Deposit to Project Construction Fund	-	650,000.00	650,000.00
Deposit to Current Refunding Fund	2,993,989.58	-	2,993,989.58
Rounding Amount	4,308.80	4,991.58	9,300.38
Total Uses	\$3,102,150.00	\$680,000.00	\$3,782,150.00

Series 2007-REF (97) 10.0 | Issue Summary | 10/9/2007 | 11:33 AM

Ross, Sinclair & Associates, LLC
 Public Finance - RBarrow

Madison County Utility District
Utility District Revenue & Refunding Bonds
Series 2007-EST
(Combined: Refunding & New Money)

Net Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Net New D/S
02/01/2008	230,000.00	3.500%	21,576.25	251,576.25	251,576.25
08/01/2008	-	-	60,703.75	60,703.75	60,703.75
02/01/2009	205,000.00	3.500%	60,703.75	265,703.75	265,703.75
08/01/2009	-	-	57,116.25	57,116.25	57,116.25
02/01/2010	210,000.00	3.500%	57,116.25	267,116.25	267,116.25
08/01/2010	-	-	53,441.25	53,441.25	53,441.25
02/01/2011	210,000.00	3.550%	53,441.25	263,441.25	263,441.25
08/01/2011	-	-	49,713.75	49,713.75	49,713.75
02/01/2012	225,000.00	3.600%	49,713.75	274,713.75	274,713.75
08/01/2012	-	-	45,663.75	45,663.75	45,663.75
02/01/2013	235,000.00	3.650%	45,663.75	280,663.75	280,663.75
08/01/2013	-	-	41,375.00	41,375.00	41,375.00
02/01/2014	235,000.00	3.700%	41,375.00	276,375.00	276,375.00
08/01/2014	-	-	37,027.50	37,027.50	37,027.50
02/01/2015	245,000.00	3.700%	37,027.50	282,027.50	282,027.50
08/01/2015	-	-	32,495.00	32,495.00	32,495.00
02/01/2016	255,000.00	3.750%	32,495.00	287,495.00	287,495.00
08/01/2016	-	-	27,713.75	27,713.75	27,713.75
02/01/2017	265,000.00	3.750%	27,713.75	292,713.75	292,713.75
08/01/2017	-	-	22,745.00	22,745.00	22,745.00
02/01/2018	285,000.00	3.800%	22,745.00	307,745.00	307,745.00
08/01/2018	-	-	17,330.00	17,330.00	17,330.00
02/01/2019	290,000.00	3.850%	17,330.00	307,330.00	307,330.00
08/01/2019	-	-	11,747.50	11,747.50	11,747.50
02/01/2020	295,000.00	3.800%	11,747.50	306,747.50	306,747.50
08/01/2020	-	-	6,142.50	6,142.50	6,142.50
02/01/2021	315,000.00	3.900%	6,142.50	321,142.50	321,142.50
Total	\$3,500,000.00	-	\$948,006.25	\$4,448,006.25	\$4,448,006.25

Series 2007-REF (97), 10.0 | Issue Summary | 10/ 9/2007 | 11:33 AM

Ross, Sinclair & Associates, LLC
Public Finance - RBarrow

Madison County Utility District

Utility District Revenue & Refunding Bonds

Series 2007-EST

(Combined: Refunding & New Money)

Net Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Net New D/S
06/30/2008	230,000.00	3.500%	21,576.25	251,576.25	251,576.25
06/30/2009	205,000.00	3.500%	121,407.50	326,407.50	326,407.50
06/30/2010	210,000.00	3.500%	114,232.50	324,232.50	324,232.50
06/30/2011	210,000.00	3.550%	106,882.50	316,882.50	316,882.50
06/30/2012	225,000.00	3.600%	99,427.50	324,427.50	324,427.50
06/30/2013	235,000.00	3.650%	91,327.50	326,327.50	326,327.50
06/30/2014	235,000.00	3.700%	82,750.00	317,750.00	317,750.00
06/30/2015	245,000.00	3.700%	74,055.00	319,055.00	319,055.00
06/30/2016	255,000.00	3.750%	64,990.00	319,990.00	319,990.00
06/30/2017	265,000.00	3.750%	55,427.50	320,427.50	320,427.50
06/30/2018	285,000.00	3.800%	45,490.00	330,490.00	330,490.00
06/30/2019	290,000.00	3.850%	34,660.00	324,660.00	324,660.00
06/30/2020	295,000.00	3.800%	23,495.00	318,495.00	318,495.00
06/30/2021	315,000.00	3.900%	12,285.00	327,285.00	327,285.00
Total	\$3,500,000.00	-	\$948,006.25	\$4,448,006.25	\$4,448,006.25

Series 2007-REF (97) 10.0 | Issue Summary | 10/9/2007 | 11:33 AM

Ross, Sinclaire & Associates, LLC
Public Finance - RBarrow

Madison County Utility District
Utility District Revenue & Refunding Bonds
Series 2007-EST
 (Combined: Refunding & New Money)

Pricing Summary

Maturity	Type of Bond	Coupon	Yield	Maturity Value	Price	Dollar Price
02/01/2008	Serial Coupon	3.500%	3.500%	230,000.00	100.000%	230,000.00
02/01/2009	Serial Coupon	3.500%	3.500%	205,000.00	100.000%	205,000.00
02/01/2010	Serial Coupon	3.500%	3.500%	210,000.00	100.000%	210,000.00
02/01/2011	Serial Coupon	3.500%	3.500%	210,000.00	100.000%	210,000.00
02/01/2012	Serial Coupon	3.600%	3.600%	225,000.00	100.000%	225,000.00
02/01/2013	Serial Coupon	3.650%	3.650%	235,000.00	100.000%	235,000.00
02/01/2014	Serial Coupon	3.700%	3.700%	235,000.00	100.000%	235,000.00
02/01/2015	Serial Coupon	3.700%	3.700%	245,000.00	100.000%	245,000.00
02/01/2016	Serial Coupon	3.750%	3.750%	255,000.00	100.000%	255,000.00
02/01/2017	Serial Coupon	3.750%	3.750%	265,000.00	100.000%	265,000.00
02/01/2018	Serial Coupon	3.800%	3.800%	285,000.00	100.000%	285,000.00
02/01/2019	Serial Coupon	3.850%	3.850%	290,000.00	100.000%	290,000.00
02/01/2020	Serial Coupon	3.800%	3.800%	295,000.00	100.000%	295,000.00
02/01/2021	Serial Coupon	3.900%	3.900%	315,000.00	100.000%	315,000.00
Total				\$3,500,000.00		\$3,500,000.00

Madison County Utility District

Utility District Revenue & Refunding Bonds

Series 2007-EST

(Combined: Refunding & New Money)

Part 2 of 2

Pricing Summary

Bid Information

Par Amount of Bonds	\$3,500,000.00
Gross Production	\$3,500,000.00
Total Underwriter's Discount (1.500%)	\$(52,500.00)
Bid (98.500%)	3,447,500.00
Total Purchase Price	\$3,447,500.00
Bond Year Dollars	\$25,138.33
Average Life	7.182 Years
Average Coupon	3.7711579%
Net Interest Cost (NIC)	3.9800023%
True Interest Cost (TIC)	4.0187829%

Madison County Utility District

Utility District Revenue & Refunding Bonds
Series 2007-EST
(Refunding Portion)

Sources & Uses

Dated 12/01/2007 | Delivered 12/01/2007

Sources Of Funds

Par Amount of Bonds	\$2,820,000.00
Transfers from Prior Issue DSR Funds	282,150.00

Total Sources **\$3,102,150.00**

Uses Of Funds

Total Underwriter's Discount (1.500%)	42,300.00
Financial Advisor	20,142.86
Bond Counsel	6,042.86
Trustee & Counsel Fees	2,820.00
Rating Agency Fee	5,640.00
Gross Bond Insurance Premium (75.0 bp)	26,905.90
Deposit to Current Refunding Fund	2,993,989.58
Rounding Amount	4,308.80

Total Uses **\$3,102,150.00**

Madison County Utility District
 Utility District Revenue & Refunding Bonds
 Series 2007-EST
 (Refunding Portion)

Debt Service Comparison

Part 1 of 2

Date	Total P+I	Net New D/S	Old Net D/S	Savings
02/01/2008	192,388.75	192,388.75	198,285.57	5,896.82
02/01/2009	263,207.50	263,207.50	270,071.14	6,863.64
02/01/2010	262,432.50	262,432.50	268,071.14	5,638.64
02/01/2011	256,482.50	256,482.50	265,821.14	9,338.64
02/01/2012	260,447.50	260,447.50	268,133.64	7,686.14
02/01/2013	263,967.50	263,967.50	269,933.64	5,966.14
02/01/2014	257,032.50	257,032.50	266,221.14	9,188.64
02/01/2015	260,002.50	260,002.50	267,252.40	7,249.90
02/01/2016	257,602.50	257,602.50	267,771.14	10,168.64
02/01/2017	259,915.00	259,915.00	267,777.40	7,862.40
02/01/2018	266,852.50	266,852.50	272,271.14	5,418.64
02/01/2019	263,112.50	263,112.50	270,996.14	7,883.64
02/01/2020	259,065.00	259,065.00	269,036.14	9,971.14
02/01/2021	264,945.00	264,945.00	271,556.14	6,611.14
02/01/2022	-	-	(3,853.86)	(3,853.86)
Total	\$3,587,453.75	\$3,587,453.75	\$3,689,344.05	\$101,890.30

Series 2007-REF (97) 10.0 | Refunding 1997 | 10/9/2007 | 11:33 AM

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Madison County Utility District

Utility District Revenue & Refunding Bonds
Series 2007-EST
(Refunding Portion)

Debt Service Comparison

Part 2 of 2

PV Analysis Summary (Net to Net)

Gross PV Debt Service Savings	351,058.37
Effects of changes in DSR investments	(271,231.26)
Net PV Cashflow Savings @ 4.394% (AIC)	79,827.11
Contingency or Rounding Amount	4,308.80
Net Present Value Benefit	\$84,135.91
Net PV Benefit / \$2,875,000 Refunded Principal	2.926%
Net PV Benefit / \$2,820,000 Refunding Principal	2.984%

Refunding Bond Information

Refunding Dated Date	12/01/2007
Refunding Delivery Date	12/01/2007

Series 2007-REF (97) 10.0 | Refunding 1997 | 10/9/2007 | 11:33 AM

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Madison County Utility District
Utility District Revenue & Refunding Bonds
Series 2007-EST
(Refunding Portion)

Net Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Net New D/S
02/01/2008	175,000.00	3.500%	17,388.75	192,388.75	192,388.75
08/01/2008	-	-	49,103.75	49,103.75	49,103.75
02/01/2009	165,000.00	3.500%	49,103.75	214,103.75	214,103.75
08/01/2009	-	-	46,216.25	46,216.25	46,216.25
02/01/2010	170,000.00	3.500%	46,216.25	216,216.25	216,216.25
08/01/2010	-	-	43,241.25	43,241.25	43,241.25
02/01/2011	170,000.00	3.550%	43,241.25	213,241.25	213,241.25
08/01/2011	-	-	40,223.75	40,223.75	40,223.75
02/01/2012	180,000.00	3.600%	40,223.75	220,223.75	220,223.75
08/01/2012	-	-	36,983.75	36,983.75	36,983.75
02/01/2013	190,000.00	3.650%	36,983.75	226,983.75	226,983.75
08/01/2013	-	-	33,516.25	33,516.25	33,516.25
02/01/2014	190,000.00	3.700%	33,516.25	223,516.25	223,516.25
08/01/2014	-	-	30,001.25	30,001.25	30,001.25
02/01/2015	200,000.00	3.700%	30,001.25	230,001.25	230,001.25
08/01/2015	-	-	26,301.25	26,301.25	26,301.25
02/01/2016	205,000.00	3.750%	26,301.25	231,301.25	231,301.25
08/01/2016	-	-	22,457.50	22,457.50	22,457.50
02/01/2017	215,000.00	3.750%	22,457.50	237,457.50	237,457.50
08/01/2017	-	-	18,426.25	18,426.25	18,426.25
02/01/2018	230,000.00	3.800%	18,426.25	248,426.25	248,426.25
08/01/2018	-	-	14,056.25	14,056.25	14,056.25
02/01/2019	235,000.00	3.850%	14,056.25	249,056.25	249,056.25
08/01/2019	-	-	9,532.50	9,532.50	9,532.50
02/01/2020	240,000.00	3.800%	9,532.50	249,532.50	249,532.50
08/01/2020	-	-	4,972.50	4,972.50	4,972.50
02/01/2021	255,000.00	3.900%	4,972.50	259,972.50	259,972.50
Total	\$2,820,000.00	-	\$767,453.75	\$3,587,453.75	\$3,587,453.75

Series 2007-REF (97), 10.0 | Refunding 1997 | 10/9/2007 | 11:33 AM

Ross, Sinclair & Associates, LLC
 Public Finance - RBarrow

Madison County Utility District

Utility District Revenue & Refunding Bonds

Series 2007-EST

(Refunding Portion)

Net Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Net New D/S
06/30/2008	175,000.00	3.500%	17,388.75	192,388.75	192,388.75
06/30/2009	165,000.00	3.500%	98,207.50	263,207.50	263,207.50
06/30/2010	170,000.00	3.500%	92,432.50	262,432.50	262,432.50
06/30/2011	170,000.00	3.550%	86,482.50	256,482.50	256,482.50
06/30/2012	180,000.00	3.600%	80,447.50	260,447.50	260,447.50
06/30/2013	190,000.00	3.650%	73,967.50	263,967.50	263,967.50
06/30/2014	190,000.00	3.700%	67,032.50	257,032.50	257,032.50
06/30/2015	200,000.00	3.700%	60,002.50	260,002.50	260,002.50
06/30/2016	205,000.00	3.750%	52,602.50	257,602.50	257,602.50
06/30/2017	215,000.00	3.750%	44,915.00	259,915.00	259,915.00
06/30/2018	230,000.00	3.800%	36,852.50	266,852.50	266,852.50
06/30/2019	235,000.00	3.850%	28,112.50	263,112.50	263,112.50
06/30/2020	240,000.00	3.800%	19,065.00	259,065.00	259,065.00
06/30/2021	255,000.00	3.900%	9,945.00	264,945.00	264,945.00
Total	\$2,820,000.00	-	\$767,453.75	\$3,587,453.75	\$3,587,453.75

Series 2007-REF (97) 10.0 | Refunding 1997 | 10/9/2007 | 11:33 AM

Ross, Sinclair & Associates, LLC
Public Finance - RBarrow

Madison County Utility District
Utility District Revenue & Refunding Bonds
Series 2007-EST
(Refunding Portion)

Pricing Summary

Part 1 of 2

Maturity	Type of Bond	Coupon	Yield	Maturity Value	Price	Dollar Price
02/01/2008	Serial Coupon	3.500%	3.500%	175,000.00	100.0000%	175,000.00
02/01/2009	Serial Coupon	3.500%	3.500%	165,000.00	100.0000%	165,000.00
02/01/2010	Serial Coupon	3.500%	3.500%	170,000.00	100.0000%	170,000.00
02/01/2011	Serial Coupon	3.500%	3.500%	170,000.00	100.0000%	170,000.00
02/01/2012	Serial Coupon	3.600%	3.600%	180,000.00	100.0000%	180,000.00
02/01/2013	Serial Coupon	3.650%	3.650%	190,000.00	100.0000%	190,000.00
02/01/2014	Serial Coupon	3.700%	3.700%	190,000.00	100.0000%	190,000.00
02/01/2015	Serial Coupon	3.700%	3.700%	200,000.00	100.0000%	200,000.00
02/01/2016	Serial Coupon	3.750%	3.750%	205,000.00	100.0000%	205,000.00
02/01/2017	Serial Coupon	3.750%	3.750%	215,000.00	100.0000%	215,000.00
02/01/2018	Serial Coupon	3.800%	3.800%	230,000.00	100.0000%	230,000.00
02/01/2019	Serial Coupon	3.850%	3.850%	235,000.00	100.0000%	235,000.00
02/01/2020	Serial Coupon	3.800%	3.800%	240,000.00	100.0000%	240,000.00
02/01/2021	Serial Coupon	3.900%	3.900%	255,000.00	100.0000%	255,000.00
Total				\$2,820,000.00		\$2,820,000.00

Series 2007-REF (97) 10.0 | Refunding 1997 | 10/9/2007 | 11:33 AM

Ross, Sinclair & Associates, LLC
 Public Finance - RBarrow

Madison County Utility District
Utility District Revenue & Refunding Bonds
Series 2007-EST
(Refunding Portion)

Pricing Summary

Part 2 of 2

Bid Information

Par Amount of Bonds	\$2,820,000.00
Gross Production	\$2,820,000.00
Total Underwriter's Discount (1.500%)	\$(42,300.00)
Bid (98.500%)	2,777,700.00
Total Purchase Price	\$2,777,700.00
Bond Year Dollars	\$20,350.00
Average Life	7.216 Years
Average Coupon	3.7712715%
Net Interest Cost (NIC)	3.9791339%
True Interest Cost (TIC)	4.0177340%

Series 2007-REF (97) 10.0 | Refunding 1997 | 10/9/2007 | 11:33 AM

Ross, Sinclaire & Associates, LLC
Public Finance - RBarrow

Madison County Utility District
 Utility District Revenue & Refunding Bonds
 Series 2007-EST
 (Refunding Portion)

Current Refunding Escrow

Date	Principal	Rate	Receipts	Disbursements	Cash Balance
02/01/2008	2,993,989.00	-	2,993,989.58	2,993,989.58	-
Total	\$2,993,989.00	-	\$2,993,989.58	\$2,993,989.58	-

Investment Parameters

Investment Model [PV, GIC, or Securities] Securities
 Default investment yield target Unrestricted

Cash Deposit	0.58
Cost of Investments Purchased with Bond Proceeds	2,993,989.00
Total Cost of Investments	\$2,993,989.58
Target Cost of Investments at bond yield	\$2,984,304.53
Actual positive or (negative) arbitrage	(9,685.05)
Yield to Receipt	-3.61E-12
Yield for Arbitrage Purposes	3.9261297%
State and Local Government Series (SLGS) rates for	10/03/2007

Series 2007-REF (97) 10.0 | Refunding 1997 | 10/9/2007 | 11:33 AM

Ross, Sinclair & Associates, LLC
 Public Finance - RBarrow

Madison County Utility District

Utility District Revenue & Refunding Bonds
 Series 2007-EST
 (Refunding Portion)

Current Refunding Escrow Summary Cost

Maturity	Type	Coupon	Yield	Price	Par Amount	Principal Cost	+Accrued Interest	= Total Cost
Current Refunding Escrow								
12/30/2007	SLGS-CI	-	-	100-.000000	2,993,989	2,993,989.00	-	2,993,989.00
Subtotal		-	-	-	\$2,993,989	\$2,993,989.00	-	\$2,993,989.00
Total		-	-	-	\$2,993,989	\$2,993,989.00	-	\$2,993,989.00

Current Refunding Escrow

Cash Deposit	0.58
Cost of Investments Purchased with Bond Proceeds	2,993,989.00
Total Cost of Investments	\$2,993,989.58

Delivery Date 12/01/2007

Series 2007-REF (97) 10.0 | Refunding 1997 | 10/9/2007 | 11:33 AM

Ross, Sinclair & Associates, LLC
 Public Finance - RBarrow

Madison County Utility District
 Utility District Revenue & Refunding Bonds
 Series 2007-EST
 (Refunding Portion)

Primary Purpose Fund Proof Of Yield @ 0.00000000%

Date	Cashflow	PV Factor	Present Value	Cumulative PV
12/01/2007	-	1.00000000x	-	-
12/30/2007	2,993,989.00	1.00000000x	2,993,989.00	2,993,989.00
Total	\$2,993,989.00	-	\$2,993,989.00	-

Composition Of Initial Deposit

Cost of Investments Purchased with Bond Proceeds **2,993,989.00**

Adjusted Cost of Investments **2,993,989.00**

Madison County Utility District
 Utility District Revenue & Refunding Bonds
 Series 2007-EST
 (Refunding Portion)

Derivation Of Target Amount @ 3.9261297%

Date	Cashflow	PV Factor	Present Value	Cumulative PV
12/01/2007	-	1.0000000x	-	-
12/31/2007	2,993,989.58	0.9967652x	2,984,304.53	2,984,304.53
Total	\$2,993,989.58	-	\$2,984,304.53	-

Composition Of Initial Deposit

Cost of Investments Purchased with Bond Proceeds 2,993,989.00
 Cash Deposit 0.58

Target Cost of Investments at bond yield \$2,984,304.53
 Actual positive or (negative) arbitrage (9,685.05)

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Madison County Utility District

Utility District Revenue & Refunding Bonds

Series 2007-EST

(New Money Portion)

Sources & Uses

Dated 12/01/2007 | Delivered 12/01/2007

Sources Of Funds

Par Amount of Bonds

\$680,000.00

Total Sources

\$680,000.00

Uses Of Funds

Total Underwriter's Discount (1.500%)

10,200.00

Financial Advisor

4,857.14

Bond Counsel

1,457.14

Trustee & Counsel Fees

680.00

Rating Agency Fee

1,360.00

Gross Bond Insurance Premium (75.0 bp)

6,454.14

Deposit to Project Construction Fund

650,000.00

Rounding Amount

4,991.58

Total Uses

\$680,000.00

Series 2007-REF (97) 10.0 | New Money | 10/9/2007 | 11:33 AM

Ross, Sinclair & Associates, LLC
Public Finance - RBarrow

Madison County Utility District
Utility District Revenue & Refunding Bonds
Series 2007-EST
(New Money Portion)

Net Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Net New D/S
02/01/2008	55,000.00	3.500%	4,187.50	59,187.50	59,187.50
08/01/2008	-	-	11,600.00	11,600.00	11,600.00
02/01/2009	40,000.00	3.500%	11,600.00	51,600.00	51,600.00
08/01/2009	-	-	10,900.00	10,900.00	10,900.00
02/01/2010	40,000.00	3.500%	10,900.00	50,900.00	50,900.00
08/01/2010	-	-	10,200.00	10,200.00	10,200.00
02/01/2011	40,000.00	3.550%	10,200.00	50,200.00	50,200.00
08/01/2011	-	-	9,490.00	9,490.00	9,490.00
02/01/2012	45,000.00	3.600%	9,490.00	54,490.00	54,490.00
08/01/2012	-	-	8,680.00	8,680.00	8,680.00
02/01/2013	45,000.00	3.650%	8,680.00	53,680.00	53,680.00
08/01/2013	-	-	7,858.75	7,858.75	7,858.75
02/01/2014	45,000.00	3.700%	7,858.75	52,858.75	52,858.75
08/01/2014	-	-	7,026.25	7,026.25	7,026.25
02/01/2015	45,000.00	3.700%	7,026.25	52,026.25	52,026.25
08/01/2015	-	-	6,193.75	6,193.75	6,193.75
02/01/2016	50,000.00	3.750%	6,193.75	56,193.75	56,193.75
08/01/2016	-	-	5,256.25	5,256.25	5,256.25
02/01/2017	50,000.00	3.750%	5,256.25	55,256.25	55,256.25
08/01/2017	-	-	4,318.75	4,318.75	4,318.75
02/01/2018	55,000.00	3.800%	4,318.75	59,318.75	59,318.75
08/01/2018	-	-	3,273.75	3,273.75	3,273.75
02/01/2019	55,000.00	3.850%	3,273.75	58,273.75	58,273.75
08/01/2019	-	-	2,215.00	2,215.00	2,215.00
02/01/2020	55,000.00	3.800%	2,215.00	57,215.00	57,215.00
08/01/2020	-	-	1,170.00	1,170.00	1,170.00
02/01/2021	60,000.00	3.900%	1,170.00	61,170.00	61,170.00
Total	\$680,000.00	-	\$180,552.50	\$860,552.50	\$860,552.50

Series 2007-REF (97), 10.0 | New Money | 10/9/2007 | 11:33 AM

Ross, Sinclaire & Associates, LLC
 Public Finance - RBarrow

Madison County Utility District
 Utility District Revenue & Refunding Bonds
 Series 2007-EST
 (New Money Portion)

Net Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Net New D/S
06/30/2008	55,000.00	3.500%	4,187.50	59,187.50	59,187.50
06/30/2009	40,000.00	3.500%	23,200.00	63,200.00	63,200.00
06/30/2010	40,000.00	3.500%	21,800.00	61,800.00	61,800.00
06/30/2011	40,000.00	3.550%	20,400.00	60,400.00	60,400.00
06/30/2012	45,000.00	3.600%	18,980.00	63,980.00	63,980.00
06/30/2013	45,000.00	3.650%	17,360.00	62,360.00	62,360.00
06/30/2014	45,000.00	3.700%	15,717.50	60,717.50	60,717.50
06/30/2015	45,000.00	3.700%	14,052.50	59,052.50	59,052.50
06/30/2016	50,000.00	3.750%	12,387.50	62,387.50	62,387.50
06/30/2017	50,000.00	3.750%	10,512.50	60,512.50	60,512.50
06/30/2018	55,000.00	3.800%	8,637.50	63,637.50	63,637.50
06/30/2019	55,000.00	3.850%	6,547.50	61,547.50	61,547.50
06/30/2020	55,000.00	3.800%	4,430.00	59,430.00	59,430.00
06/30/2021	60,000.00	3.900%	2,340.00	62,340.00	62,340.00
Total	\$860,000.00	-	\$180,552.50	\$860,552.50	\$860,552.50

Series 2007-REF (97) 10.0 | New Money | 10/9/2007 | 11:33 AM

Ross, Sinclair & Associates, LLC
 Public Finance - RBarrow

Madison County Utility District
 Utility District Revenue & Refunding Bonds
 Series 2007-EST
 (New Money Portion)

Pricing Summary

Part 1 of 2

Maturity	Type of Bond	Coupon	Yield	Maturity Value	Price	Dollar Price
02/01/2008	Serial Coupon	3.500%	3.500%	55,000.00	100.0000%	55,000.00
02/01/2009	Serial Coupon	3.500%	3.500%	40,000.00	100.0000%	40,000.00
02/01/2010	Serial Coupon	3.500%	3.500%	40,000.00	100.0000%	40,000.00
02/01/2011	Serial Coupon	3.550%	3.550%	40,000.00	100.0000%	40,000.00
02/01/2012	Serial Coupon	3.600%	3.600%	45,000.00	100.0000%	45,000.00
02/01/2013	Serial Coupon	3.650%	3.650%	45,000.00	100.0000%	45,000.00
02/01/2014	Serial Coupon	3.700%	3.700%	45,000.00	100.0000%	45,000.00
02/01/2015	Serial Coupon	3.700%	3.700%	45,000.00	100.0000%	45,000.00
02/01/2016	Serial Coupon	3.750%	3.750%	50,000.00	100.0000%	50,000.00
02/01/2017	Serial Coupon	3.750%	3.750%	50,000.00	100.0000%	50,000.00
02/01/2018	Serial Coupon	3.800%	3.800%	55,000.00	100.0000%	55,000.00
02/01/2019	Serial Coupon	3.850%	3.850%	55,000.00	100.0000%	55,000.00
02/01/2020	Serial Coupon	3.800%	3.800%	55,000.00	100.0000%	55,000.00
02/01/2021	Serial Coupon	3.900%	3.900%	60,000.00	100.0000%	60,000.00
Total				\$680,000.00		\$680,000.00

Series 2007-REF (97) 10.0 | New Money | 10/9/2007 | 11:33 AM

Ross, Sinclair & Associates, LLC
 Public Finance - RBarrow

Madison County Utility District
Utility District Revenue & Refunding Bonds
Series 2007-EST
(New Money Portion)

Pricing Summary

Part 2 of 2

Bid Information

Par Amount of Bonds	\$680,000.00
Gross Production	\$680,000.00
Total Underwriter's Discount (1.500%)	\$(10,200.00)
Bid (98.500%)	669,800.00
Total Purchase Price	\$669,800.00
Bond Year Dollars	\$4,788.33
Average Life	7.042 Years
Average Coupon	3.7706753%
Net Interest Cost (NIC)	3.9836930%
True Interest Cost (TIC)	4.023288%

Series 2007-REF (97) 10.0 | New Money | 10/9/2007 | 11:33 AM

Ross, Sinclair & Associates, LLC
Public Finance - RBarrow



Ernie Fletcher
Governor

Teresa J. Hill, Secretary
Environmental and Public
Protection Cabinet

Timothy J. LeDonne
Commissioner
Department of Public Protection

Commonwealth of Kentucky
Public Service Commission
211 Sower Blvd.
P.O. Box 615
Frankfort, Kentucky 40602-0615
Telephone: (502) 564-3940
Fax: (502) 564-3460
psc.ky.gov

Mark David Goss
Chairman

John W. Clay
Vice Chairman

Caroline Pitt Clark
Commissioner

October 4, 2007

Ian F. Koffler
Peck, Shaffer & Williams, LLP
118 West Fifth Street
Covington, KY 41011

RE: Case No 2007-00424
Filing Deficiencies

The Commission staff has reviewed your application in the above case. This filing is rejected for the reasons set forth below.

1. Filing deficiencies pursuant to 807 KAR 5:001:

807 KAR 5:001: Section 11(1)(b) If Bonds or Notes or Other Indebtedness is proposed: Interest rate(s)

807 KAR 5:001: Section 6(1) Amount and types of stock authorized.

807 KAR 5:001: Section 6(2) Amount and types stock issued and outstanding

807 KAR 5:001: Section 6(4) Mortgages: Amount of Indebtedness Secured

807 KAR 5:001: Section 6(4) Mortgages: Date of Execution

807 KAR 5:001: Section 6(4) Mortgages: Name of Mortgagee or Trustee

807 KAR 5:001: Section 6(4) Mortgages: Name of Mortgagor

807 KAR 5:001: Section 6(4) Mortgages: Sinking Fund Provisions

807 KAR 5:001: Section 6(5) Bonds: Amount Authorized

807 KAR 5:001: Section 6(5) Bonds: Amount Issued

807 KAR 5:001: Section 6(5) Bonds: Date of Issue

807 KAR 5:001: Section 6(5) Bonds: Date of Maturity

807 KAR 5:001: Section 6(5) Bonds: Description of Each Class Issued

MB/MB

- 807 KAR 5:001: Section 6(5) Bonds: How Secured
- 807 KAR 5:001: Section 6(5) Bonds: Interest Paid in Last Fiscal Year
- 807 KAR 5:001: Section 6(5) Bonds: Name of Utility Who Issued
- 807 KAR 5:001: Section 6(6) Notes Outstanding: Amount
- 807 KAR 5:001: Section 6(6) Notes Outstanding: Date of Issue
- 807 KAR 5:001: Section 6(6) Notes Outstanding: In Whose Favor
- 807 KAR 5:001: Section 6(6) Notes Outstanding: Interest Paid in Last Fiscal Yr.
- 807 KAR 5:001: Section 6(6) Notes Outstanding: Maturity Date
- 807 KAR 5:001: Section 6(6) Notes Outstanding: Rate of Interest
- 807 KAR 5:001: Section 6(7) Other Indebtedness: Description of Any Assumption of Indebtedness by Outside Party (i.e., any transfer)
- 807 KAR 5:001: Section 6(7) Other Indebtedness: Description of Each Class
- 807 KAR 5:001: Section 6(7) Other Indebtedness: How Secured
- 807 KAR 5:001: Section 6(7) Other Indebtedness: Interest Paid in Last Fiscal Yr.
- 807 KAR 5:001: Section 6(8) Rate and amount of dividends paid during the five (5) previous fiscal years and the amount of capital stock on which dividends were paid each year.
- 807 KAR 5:001: Section 6(9) Detailed income statement and balance sheet.

The statutory time period in which the Commission must process this case will not commence until the above-mentioned information is filed with the Commission. If your filing contains a proposed effective date, the rejection of your filing for reasons of deficiencies voids that proposed effective date. When you file the required information to correct the deficiencies, you may refile your proposed tariff with a new proposed effective date that is at least 30 days from the date you file the required information. You are requested to file 10 copies of this information within 15 days of date of this letter. If you need further assistance, please contact James Rice at 502/564-3940 ext. 411.

Sincerely,



Mike Burford
Director Division of Filings

MB/MB